

## Debt Information

The following is a comparison of the Region’s debt-related metrics compiled from the Financial Information Return (FIR) compared to our upper tier municipal peers. The information from the FIR outlined in the column “Current state” below represents actual debt issued. All other information presented in the table are based on forecasted timing of debt issuances.

Metric	Current State	2025 Forecast <sup>5</sup>	Average of Comparable Regions <sup>1</sup>	Estimated Maximum over 10 Years	Key thresholds
S&P Ratio of Total Region and lower tier Debt to Operating Revenue <sup>2,5,6</sup>	62.0%	63.4%	42.1%	74.4%	60.0% <sup>3</sup>
Annual Repayment Limit (ARL) <sup>6</sup>	5.8%	7.5%	4.1%	7.5%	25.0% <sup>4</sup>
Debt as a % of Operating Revenues	25.3%	35.2%	33.4%	37.3% <sup>6,7</sup>	N/A
Debt Servicing Costs as a % of Total Revenues	3.3%	4.0%	2.5%	4.0% <sup>6,8</sup>	N/A
Debt per Capita	\$705	\$909	\$920	\$1,065 <sup>6,9</sup>	N/A
Debt per Household (upper tier)	\$1,738	\$2,241	\$2,760	\$2,625 <sup>6,9</sup>	N/A

<b>Metric</b>	<b>Current State</b>	<b>2025 Forecast<sup>5</sup></b>	<b>Average of Comparable Regions<sup>1</sup></b>	<b>Estimated Maximum over 10 Years</b>	<b>Key thresholds</b>
Debt per Household (upper & lower tier)	\$3,469	\$4,029	\$3,500	\$5,264 <sup>6,9</sup>	N/A
Total Reserves and Discretionary Reserves Funds as a % of Municipal Expenditure	19.2%	N/A	112.1%	N/A	N/A

Source: Ministry of Municipal Affairs Financial Information Return

1 - The comparable regions are York, Peel, Halton, Durham and the City of Hamilton in alignment with the Standard & Poor's (S&P) Report.

2 – The Region's current state S&P ratio is calculated as of September 20, 2023.

3 - 120.0% is the S&P upper limit, however, S&P recommends that the Region remain under 60.0% to maintain current credit rating.

4 - Legislated maximum ratio set by the Province is 25%.

5 - Assumes issuance of \$100.0 million for lower tiers and a previously approved \$51.9 million for the upper tier.

6 – Based on S&P adjusted forecasted revenue in 2023 updated for 2023 FIR

7 - Operating revenues estimated to increase by 3.5% annually.

8 - Reserve funds estimated to increase by 2% annually.

9 - Capita and Household growth estimated at 2% annually based on PDS 17-2022 Niagara Official Plan: Recommendation Report for Adoption.